

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

Lordstown Motors Corp., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Obj. Deadline: Dec. 4, 2023 at 4:00 pm (ET)

Hearing Date: Dec. 11, 2023 at 2:00 pm (ET)

**SUMMARY OF FIRST INTERIM FEE APPLICATION OF
JEFFERIES LLC AS INVESTMENT BANKER FOR THE DEBTORS AND DEBTORS IN
POSSESSION FOR COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD FROM
JUNE 27, 2023 TO AND INCLUDING SEPTEMBER 30, 2023**

Name of Applicant:	<u>Jefferies LLC</u>
Authorized to Provide Professional Services to:	<u>Debtors and Debtors in Possession</u>
Date of Retention:	<u>July 25, 2023 effective as of June 27, 2023</u>
Period for which Compensation and Reimbursement is Sought:	<u>June 27, 2023 – September 30, 2023</u>
Amount of Compensation Sought as Actual, Reasonable and Necessary:	<u>\$600,000.00²</u>
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	<u>\$38,459.31³</u>
This is a(n) <u> </u> monthly <u>X</u> interim <u> </u> final application.	

¹ The Debtors in these chapter 11 cases (these “**Chapter 11 Cases**”), along with the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors’ service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

² This amount is on account of the July 2023, August 2023 and September 2023 Monthly Fees (as defined below).

³ As noted in the Retention Application (as defined below), Jefferies received an expense advance in the amount of \$25,000.00 prior to the Petition Date. After the application of prepetition expenses, \$6,463.00 remains to be applied against the postpetition expenses set forth herein.

**FIRST INTERIM FEE APPLICATION OF JEFFERIES LLC
AS INVESTMENT BANKER FOR THE DEBTORS AND DEBTORS IN POSSESSION**

PRIOR FEE STATEMENTS

APPLICATION¹	REQUESTED		PAID		OUTSTANDING	
	FEES	EXPENSES	FEES	EXPENSES	FEES	EXPENSES
First Consolidated Monthly Fee Application [Docket No. 702] 6/27/23-9/30/23	\$600,000.00	\$38,459.31	\$600,000.00 ²	\$0.00	\$0.00	\$38,459.31

¹ The First Consolidated Monthly Application of Jefferies LLC for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Investment Banker for the Debtors and Debtors in Possession for the Period from June 27, 2023 to and including September 30, 2023 (“First Consolidated Monthly Fee Application”) was filed contemporaneously herewith in accordance with the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Chapter 11 Professionals and Committee Members [Docket No. 181] (the “Interim Compensation Order”). The objection deadline for the First Consolidated Monthly Fee Application is December 4, 2023.

² The Retention Order (as defined herein) authorizes the Debtor to pay Jefferies’ monthly fees (the “Monthly Fees”) each month when required under the Engagement Letter (as defined below) without the need to file a prior fee application; provided however, that such Monthly Fees shall be subject to review and approval in any interim and final fee applications.

**FIRST INTERIM FEE APPLICATION OF JEFFERIES LLC AS INVESTMENT
BANKER FOR THE DEBTORS AND DEBTORS IN POSSESSION**

HOURS BY PROFESSIONAL AND PROJECT CATEGORY
June 27, 2023 – September 30, 2023

Summary of Hours by Professional

June 27, 2023 - September 30, 2023

Name	Position	Hours
Sean Costello	Managing Director, Mobility and Technology	88.5
Jeffrey Finger	Managing Director, Co-Head of US Debt Advisory and Restructuring	117.5
Ryan Hamilton	Senior Vice President, Debt Advisory and Restructuring	158.5
Kevin Lisanti	Vice President, Debt Advisory and Restructuring	145.5
Kelly Pasekoff	Vice President, Mobility and Technology	133.5
Lavin Gupta	Associate, Technology	4.5
Joseph Su	Associate, Technology	114.0
Joseph Guerrero	Analyst, Technology	112.5
Neel Katyal	Analyst, Technology	85.0
Lars Hultgren	Analyst, Debt Advisory and Restructuring	273.0
Total		1,232.5

Summary of Hours by Category

June 27, 2023 - September 30, 2023

Category Code #	Hours
1	Case Administration / General
2	Sale Process
3	Creditor Communication
4	Debtor Communication
5	DIP Financing
6	Testimony Preparation
7	Plan of Reorganization
8	Travel
9	Due Diligence / Analysis
10	Business Plan
11	Process Update and Case Strategy
Total	1,232.5

**FIRST INTERIM FEE APPLICATION OF JEFFERIES LLC
AS INVESTMENT BANKER FOR THE DEBTORS AND DEBTORS IN POSSESSION**

EXPENSES BY CATEGORY
June 27, 2023 – September 30, 2023

Jefferies LLC

Summary of Expenses by Category
June 27, 2023 - September 30, 2023

Category	Expenses
Employee Overtime Meal	\$634.47
Transportation	\$543.85
Presentation Services	\$220.00
Internet Access Fees	\$19.99
Legal Fees	\$37,041.00
Total	\$38,459.31

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REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD FROM
JUNE 27, 2023 TO AND INCLUDING SEPTEMBER 30, 2023**

Jefferies LLC (“**Jefferies**”), the investment banker for the above captioned debtors and debtors in possession (collectively, the “**Debtors**”), hereby files this first interim fee application (this “**Interim Fee Application**”), pursuant to sections 328, 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), and the Interim Compensation Order, requesting (a) interim allowance of compensation for professional services to the Debtors during the period from June 27, 2023 to and including September 30, 2023 (the “**Interim Compensation Period**”) in the amount of \$600,000.00, (b) interim allowance of Jefferies’ expenses incurred during the Interim Compensation Period in connection with such services in the amount of \$38,459.31, and (c) payment of all such allowed expenses, less any

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amounts previously paid for such expenses. In support of this Interim Fee Application, Jefferies respectfully states as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (this “**Court**”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other bases for the relief requested in this Monthly Fee Application are sections 328(a), 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Rule 2016-2, the Interim Compensation Order, and the Retention Order (as defined below).

BACKGROUND

3. On June 27, 2023 (the “**Petition Date**”), each of the Debtors filed with this Court a voluntary petition for relief under the Bankruptcy Code. Each Debtor continues to operate its business and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Court entered an order on June 28, 2023 authorizing joint administration of these chapter 11 cases [Docket No. 53].

4. On July 6, 2023, the Debtors filed an application to retain and employ Jefferies as their investment banker [Docket No. 88] (the “**Retention Application**”), effective as of the Petition Date, pursuant to the terms of that certain engagement letter between Jefferies and the Debtors, dated as of June 26, 2023, (together with the Annex and the Indemnification Provisions attached thereto, the “**Engagement Letter**”).²

² Unless otherwise stated, all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Engagement Letter.

5. On July 25, 2023, the Court entered the order approving the Retention Application [Docket No. 188] (the “**Retention Order**”). A copy of the Engagement Letter was appended to the Retention Order as Exhibit 1.

6. Also on July 25, 2023, the Court entered the Interim Compensation Order, which generally sets forth the procedures for interim compensation and expense reimbursement for retained professionals in the Debtors’ chapter 11 cases.

RELIEF REQUESTED

7. By this Interim Fee Application, Jefferies requests (a) interim allowance of compensation for professional services to the Debtors during the Interim Compensation Period in the amount of \$600,000.00, (b) interim allowance of Jefferies’ expenses incurred during the Interim Compensation Period in connection with such services in the amount of \$38,459.31, and (c) payment of all such allowed expenses, less any amounts previously paid for such expenses.

8. Jefferies earned three Monthly Fees in the amount of \$200,000.00 each for the months of July 2023, August 2023 and September 2023, for a total of \$600,000.00 in Monthly Fees during the Interim Compensation Period. The Retention Order permits the Debtors to pay Jefferies’ Monthly Fees each month when required under the Engagement Letter without the need to file a prior fee application, subject to review and approval in any interim and final fee applications. Accordingly, Jefferies is hereby seeking allowance of such Monthly Fees pursuant to the Retention Order and the Interim Compensation Order.

SUMMARY OF SERVICES

9. Although Jefferies, in line with market convention, does not bill by the hour, Jefferies has kept track of its post-petition time in one-half hour increments in accordance with the Retention Order. Such time records were attached as **Exhibit A** to the First Consolidated

Monthly Application. During the Interim Compensation Period, Jefferies professionals spent approximately 1,232.5 hours providing investment banking services to the Debtors.

10. The fees charged by Jefferies have been billed in accordance with the Engagement Letter and the Retention Order and are comparable to those fees charged by Jefferies for professional services rendered in connection with similar chapter 11 cases and non-bankruptcy matters. Jefferies submits that such fees are reasonable based upon the customary compensation charged by similarly skilled practitioners in comparable bankruptcy cases and non-bankruptcy matters in the competitive national investment banking market.

11. There is no agreement or understanding between Jefferies and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these chapter 11 cases.

ACTUAL AND NECESSARY EXPENSES

12. Jefferies also incurred certain necessary expenses during the Interim Compensation Period for which it is entitled to reimbursement under the Engagement Letter. As set forth in the First Consolidated Monthly Fee Application, Jefferies' expenses incurred during the Interim Compensation Period in connection with its services to the Debtors are \$38,459.31.³ The detail for such expenses is set forth on **Exhibit B** to the First Consolidated Monthly Fee Application.

³ Additionally, as set forth in the Retention Application, Jefferies received a \$25,000.00 expense advance from the Debtors prior to the Petition Date. After the application of prepetition expenses, \$6,463.00 remains to be applied against the postpetition expenses set forth herein.

CERTIFICATION OF COMPLIANCE

13. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies that, to the best of his knowledge, information and belief, this Interim Fee Application complies with that rule.

WHEREFORE, Jefferies hereby files this Interim Fee Application requesting (a) interim allowance of compensation for professional services to the Debtors during the Interim Compensation Period in the amount of \$600,000.00, (b) interim allowance of Jefferies' expenses incurred during the Interim Compensation Period in connection with such services in the amount of \$38,459.31 and (c) payment of all such allowed expenses, less any amounts previously paid for such expenses.

Dated: November 14, 2023
New York, New York

JEFFERIES LLC
/s/ Jeffrey Finger
Jeffrey Finger
Managing Director
Jefferies LLC